

Revenue calculator

Use our revenue template to quickly work out a ballpark estimate of the revenue potential of your business or idea. Since not all customers make a purchase, this tool helps you estimate the revenue potential based on the percentage of customers who actually make a purchase. Try experimenting with the numbers. For example, to see what difference it would make if you could encourage more customers to make a purchase.

Calculate your revenue potential

Enter your maximum number of possible customers per day	
Enter the number of days your business is open each year	
Total potential customers / year	
Enter the percentage of your customers who make a purchase	
This is the actual number of customers you have per year	
Enter the value of your average sale per customer	
Enter the average cost per customer	

%

This is your revenue potential

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Instructions

Your Revenue Potential shows you how much money you could make from your product or service based on the number of customers you see and how much it costs you to produce the good or service they purchase from you. This also helps you see how many possible customers and actual customers you need to reach your revenue goals based on the average sale per customer.

There are many ways for you to increase your revenue potential. For example, if you have more customers you can charge less for your goods or services. With a higher price, you need fewer clients to earn the same amount of money. If you increase the average dollar amount of sale per customer by upselling or cross selling, you need fewer customers to earn a profit.

To use the calculator

Your maximum number of possible customers per day is the highest number of people you can help in a day. This is different for every business. A retail business might have a much higher number of possible customers than a service business.

In the second set of boxes, insert the percentage of customers who purchase from you. If you see 100 retail customers in a day and 20 make a purchase, that's 20% of your potential customers who purchase.

In the third set of boxes, enter the average value of a sale per customer and the average cost per customer. Note that some service businesses may not have a cost per customer, in which case this box can be left blank. The Revenue Potential section shows you how much you could earn annually, not factoring in overhead costs.

Try experimenting with the figures to see what impact they have on your final net revenue amount.

If you're looking to increase your revenue, you can build a larger pipeline of prospective customers, convert more of your leads into customers, increase the number of items you sell per customer, increase the value of your average sale, or increase your net profit percentage. Specific actions include finding lower-cost suppliers, trimming unnecessary costs, increasing your prices, introducing premium products, bundling products together, and encouraging referrals.